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From: Varun Sharma <vs281980@gmail.com>

Date: Sunday, September 14, 2014 7:22 pm

Subject: Comments on Consultation Paper on Amendment of QoS 2012 (12 of 2012 dt 14.05.14) regarding Financial Disincentives, dated 28.08.14.

To: sksinghal@traigov.in, cp@traigov.in

> Dt: 12 Sept.2014

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> To,

> Mr.Sunil Kumar Singhal,

> Advisor (B &C S),

> T R A I., Delhi

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> **Subject- Comments on Consultation Paper on Amendment of QoS 2012 (12 of 2012 dt 14.05.14) regarding Financial Disincentives, dated 28.08.14.**

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> Sir,

> At first I wish to thank you for the consultation paper on the above mentioned subject imposing fines on service providers if not giving good quality service.

> However, I wish to submit that Digital Cable migration is taking place for the first time in India on the orders of the government. So govt. should ensure that the process has been fully completed and all subscribers understand and adopt the new system of cable service.

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> We would like to state that the following issues of subscribers and LCO'S should be solved;

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> 1. STBs should be of universal mode. The optimum standards directed by the B.I.S. or other authorities concerned are not being followed by the MSOs while providing the set top boxes.

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> 2. A LCO friendly policy should be made because in the shield of CAF, the MSOs are thereby mandating the LCOs to share the subscriber base also with the MSOs, making them more vulnerable to be kicked out in the competition by the MSO's who has been given absolute powers by TRAI. It should be ensured that the subscribers should be consumers of the LCOs only. MSO should provide only back haul service.

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> 3. The LCO's should be given a Justified viable and reasonable Revenue share. At present the Revenue sharing between LCOs and MSOs is highly discriminatory and prejudicial. The MSO's and the Broadcasters enjoy multiple advantages which already yields a heavy return to them as compared to the highly competitive, limited and small scale networking of the local cable operators.

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> 4. The advantage of the carriage fee & advertisement revenues should also be given to LCOs because all content goes on their network. At present all revenue streams are concentrated towards MSOs and he decides what the LCO should get, whereas the network of the LCOs is being used and no share regarding the carriage fee and advertisement revenues are being provided to the LCOs.

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> 5. LCO are Owners of the last mile networks but at present said provisions of the Tariff order and regulations have bounded LCO to work under the MSO whereas they are the main promoters of the profession. In the current scenario they are forced to act as the Revenue collecting Agents.

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> 6. **TRAI should work out a separate revenue for LCO for**

- >□• **collecting subscription share of the MSO and Broadcaster**
- >□• **creating awareness in consumers,**
- >□• **install STBs on behalf of MSO,**
- >□• **face consumer regarding problems of STBs which have not been purchased by him**
- >□• **and other network problems created in the Digital Headend of the MSO, which are additional headaches for the LCO.**

> He never had such responsibility in running analogue networks. Please remember the telecom company pay heavily to courier companies for delivering their bills every month so that they can get revenue from subscribers in time. Also they face the anger of the Consumer themselves when consumer take them to court. **LCOs are unfortunately taken for granted to do these tasks without getting any compensation.**

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> 7. Subscription revenue for the LCO service, to provide digital services as per quality fixed by TRAI that should include providing maintenance and operation of

the LCO network and 24 hour service to the subscribers needs to be worked out separately so that LCO gets enough money to run his business and earn livelihood.

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> 8. As Digitalisation is in its infancy, **Trai should not act in a Dictatorial manner. Let the government mandated service settle down, only then think of putting fine on them.**

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> 9. Please also understand that **LCOs are not giving digital cable service with their choice.** Nor are millions of subscribers paying willingly for digital services forced upon them by the government. TRAI should concentrate more on making people adjust to the new system, make corrections in the system where required as it is also the first time the Regulator is trying to make more than a lakh LCOs and 100 million subscribers to migrate to a completely new technology. So, **TRAI should be patient with stake holders, help them in adjusting to the new system and not think of financial disincentives to finish its paper work.**

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> 10. **In many small towns, villages and poor areas small LCOs can still make a living giving analogue services to many willing consumers who are unable to afford digital services.** Let them not give any PAY channels. They can still make a living, giving channels of choice of their consumers out of more than 600 FTA channels. Why should they not be allowed to earn a living like that? Many telecom companies still give 2G service, then why not analogue?

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> **IF LAWS ARE MADE IN PUBLIC INTEREST, THEY CAN BE AMENDED OR CHANGED IN PUBLIC INTEREST.** please recommend the change of damaging provisions of the LAW to the government.

>

> Thanking you

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> Varun Sharma.

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